

VERMONT STATE EMPLOYEES' RETIREMENT SYSTEM

Meeting of the Board of Trustees

February 15, 2006

VSERS Members present:

WARREN WHITNEY, Chairperson, VSEA member (term expiring September, 2006)

JEB SPAULDING, Vice-Chairperson, VT State Treasurer

LINDA McINTIRE, Commissioner of Human Resources

JAMES REARDON, Commissioner of Finance & Management

DICK JOHANNESSEN, Governor's Delegate

ROBERT HOOPER, VSEA member (term expiring September 2006)

VSERS Member(s) absent:

WILLIAM HARKNESS, VSEA member (term expiring September 2007)

JOE HEALY, Retired Vermont State Employees' Association

Also attending:

Donna Holden, Board Coordinator

David Minot, Director of Finance and Investments

The Chairperson, Warren Whitney, called the meeting to order at 1:35 p.m. on Wednesday, February 15, 2006, which was held in the 4th Floor Conference Room at 109 State Street, Montpelier, VT.

ITEM 1: Subcommittee Appointments

Mr. Whitney explained the current subcommittee appointments were:

Investment Search Subcommittee: Mr. Whitney and Mr. Johannesen

Proxy Guideline Subcommittee: Mr. Hooper and Mr. Reardon

Policy Subcommittee: Mrs. McIntire and Mr. Hooper

On a motion by Mr. Hooper seconded by Mr. Spaulding, the Board unanimously voted to accept the recommendation by the Chair, and instruct the Clerk to cast one ballot in favor of election of the above members to the subcommittees listed.

On a motion by Mr. Hooper seconded by Mr. Reardon, the Board unanimously voted that members elected to attend subcommittee meetings shall notify the Board Chair if they are not able to attend a meeting and the Chair shall be authorized to appoint an alternate.

ITEM 2: Follow-Up on VPIC Recommendations

- Act on GAA Asset Allocation

On a motion by Mr. Johannesen seconded by Mrs. McIntire, the Board unanimously voted to accept the VPIC asset allocation recommendation to add a 10% Global Asset Allocation with the proposed target asset allocation recommendation of funding at 2.5% from International Equity, 2.5% from Large Cap Equity, 2.5% from Core Fixed Income, and 2.5% from Global Fixed Income, and split the investment 50% PIMCO and 50% Mellon.

At 1:45 p.m. Mr. Whitney declared a recess of the Board.

Respectfully submitted,

Donna Holden
Board Coordinator